

General Assembly

Raised Bill No. 7104

January Session, 2017

LCO No. 3729

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Referred to Committee on ENERGY AND TECHNOLOGY

Introduced by: (ET)

AN ACT CONCERNING RENEWABLE PORTFOLIO STANDARD COMPLIANCE REQUIREMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 16-245a of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (*Effective July 1, 2017*):
- 3 (a) An electric supplier and an electric distribution company
- 4 providing standard service or supplier of last resort service, pursuant
- 5 to section 16-244c, shall demonstrate:
- 6 (1) On and after January 1, 2006, that not less than two per cent of
- 7 the total output or services of any such supplier or distribution
- 8 company shall be generated from Class I renewable energy sources
- 9 and an additional three per cent of the total output or services shall be
- 10 from Class I or Class II renewable energy sources;
- 11 (2) On and after January 1, 2007, not less than three and one-half per
- 12 cent of the total output or services of any such supplier or distribution
- company shall be generated from Class I renewable energy sources
- and an additional three per cent of the total output or services shall be

- 15 from Class I or Class II renewable energy sources;
- 16 (3) On and after January 1, 2008, not less than five per cent of the 17 total output or services of any such supplier or distribution company
- 18 shall be generated from Class I renewable energy sources and an
- 19 additional three per cent of the total output or services shall be from
- 20 Class I or Class II renewable energy sources;
- 21 (4) On and after January 1, 2009, not less than six per cent of the
- 22 total output or services of any such supplier or distribution company
- 23 shall be generated from Class I renewable energy sources and an
- 24 additional three per cent of the total output or services shall be from
- 25 Class I or Class II renewable energy sources;
- 26 (5) On and after January 1, 2010, not less than seven per cent of the
- 27 total output or services of any such supplier or distribution company
- 28 shall be generated from Class I renewable energy sources and an
- 29 additional three per cent of the total output or services shall be from
- 30 Class I or Class II renewable energy sources;
- 31 (6) On and after January 1, 2011, not less than eight per cent of the
- 32 total output or services of any such supplier or distribution company
- 33 shall be generated from Class I renewable energy sources and an
- 34 additional three per cent of the total output or services shall be from
- 35 Class I or Class II renewable energy sources;
- 36 (7) On and after January 1, 2012, not less than nine per cent of the
- 37 total output or services of any such supplier or distribution company
- 38 shall be generated from Class I renewable energy sources and an
- 39 additional three per cent of the total output or services shall be from
- 40 Class I or Class II renewable energy sources;
- 41 (8) On and after January 1, 2013, not less than ten per cent of the
- 42 total output or services of any such supplier or distribution company
- 43 shall be generated from Class I renewable energy sources and an
- 44 additional three per cent of the total output or services shall be from
- 45 Class I or Class II renewable energy sources;

- (9) On and after January 1, 2014, not less than eleven per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
 - (10) On and after January 1, 2015, not less than twelve and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
- (11) On and after January 1, 2016, not less than fourteen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
 - (12) On and after January 1, 2017, not less than fifteen and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
 - (13) On and after January 1, 2018, not less than seventeen per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
 - (14) On and after January 1, 2019, not less than nineteen and one-half per cent of the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;
 - (15) On and after January 1, 2020, not less than twenty per cent of

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- the total output or services of any such supplier or distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources.
- 81 (b) An electric supplier or electric distribution company may satisfy 82 the requirements of this section (1) by purchasing certificates issued by the New England Power Pool Generation Information System, 83 84 provided the certificates are for (A) energy produced by a generating 85 unit using Class I or Class II renewable energy sources and the generating unit is located in the jurisdiction of the regional 86 87 independent system operator, or (B) energy imported into the control 88 area of the regional independent system operator pursuant to New 89 England Power Pool Generation Information System Rule 2.7(c), as in 90 effect on January 1, 2006; (2) for those renewable energy certificates 91 under contract to serve end use customers in the state on or before 92 October 1, 2006, by participating in a renewable energy trading program within said jurisdictions as approved by the Public Utilities 93 94 Regulatory Authority; or (3) by purchasing eligible renewable 95 electricity and associated attributes from residential customers who are 96 net producers.
- 97 (c) Any supplier who provides electric generation services solely 98 from a Class II renewable energy source shall not be required to 99 comply with the provisions of this section.

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- (d) An electric supplier or an electric distribution company shall base its demonstration of generation sources, as required under subsection (a) of this section on historical data, which may consist of data filed with the regional independent system operator.
- [(e) (1) A supplier or an electric distribution company may make up any deficiency within its renewable energy portfolio within the first three months of the succeeding calendar year or as otherwise provided by generation information system operating rules approved by New England Power Pool or its successor to meet the generation source

- requirements of subsection (a) of this section for the previous year.
- (2) No such supplier or electric distribution company shall receive credit for the current calendar year for generation from Class I or Class II renewable energy sources pursuant to this section where such supplier or distribution company receives credit for the preceding calendar year pursuant to subdivision (1) of this subsection.]
 - [(f)] (e) The authority shall adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section.
 - [(g)] (f) Notwithstanding the provisions of this section and section 16-244c, for periods beginning on and after January 1, 2008, each electric distribution company may procure renewable energy certificates from Class I, Class II and Class III renewable energy sources through long-term contracting mechanisms. The electric distribution companies may enter into long-term contracts for not more than fifteen years to procure such renewable energy certificates. The electric distribution companies shall use any renewable energy certificates obtained pursuant to this section to meet their standard service and supplier of last resort renewable portfolio standard requirements.
 - [(h)] (g) On or before January 1, 2014, the Commissioner of Energy and Environmental Protection shall, in developing or modifying an Integrated Resources Plan in accordance with sections 16a-3a and 16a-3e, establish a schedule to commence on January 1, 2015, for assigning a gradually reduced renewable energy credit value to all biomass or landfill methane gas facilities that qualify as a Class I renewable energy source pursuant to section 16-1, provided this subsection shall not apply to anaerobic digestion or other biogas facilities, and further provided any reduced renewable energy credit value established pursuant to this section shall not apply to any biomass or landfill methane gas facility that has entered into a power purchase agreement (1) with an electric supplier or electric distribution company in the state of Connecticut on or before June 5, 2013, or (2) executed in

141 accordance with section 16a-3f or 16a-3h. The Commissioner of Energy 142 and Environmental Protection may review the schedule established 143 pursuant to this subsection in preparation of each subsequent 144 Integrated Resources Plan developed pursuant to section 16a-3a and 145 make any necessary changes thereto to ensure that the rate of 146 reductions in renewable energy credit value for biomass or landfill methane gas facilities is appropriate given the availability of other 147 148 Class I renewable energy sources.

| This act shal sections: | l take effect as follows | and shall amend the followi | ng |
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| Section 1 | July 1, 2017 | 16-245a | |

ET Joint Favorable